



EDD

ECONOMIC
DEVELOPMENT
DEPARTMENT

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New Mexico's military and retirees support 52,000 jobs

First-ever study analyzes economic impact of military in state

SANTA FE, N.M. – New Mexico Economic Development Cabinet Secretary Alicia J. Keyes announced today that a [first-of-its kind study on the economic impact of military installations and retired military veterans in New Mexico](#) shows that the sector supports 52,268 jobs, \$2.8 billion in annual labor income, and more than \$14 billion in industrial output.

New Mexico has 141,558 veterans residing in the state with military retirees in all 33 counties. The military is the 17th largest employer in the state and veterans earn incomes that are 164% greater than nonveterans, accounting for 8% of total state jobs, a higher percentage than neighboring states. The study reviewed 18,000 active-duty jobs at the six installations in New Mexico.

The [Economic Impact of Military Installations in New Mexico on the State report](#) was undertaken by University of New Mexico's Bureau of Business and Economic Research under a contract with the Office of Military Base Planning and Support, which is attached to the New Mexico Economic Development Department (EDD). The analysis looked at economic contribution, direct and induced, for employment, labor income, and industrial output at Cannon Air Force Base, including Melrose Air Force Range, Holloman Air Force Base, Kirtland Air Force Base, and White Sands Missile Range.

The State of New Mexico enacted a recent change to exempt a portion of military pensions from state Personal Income Tax. The measure was signed into law by Gov. Michelle Lujan Grisham in March 2022.

“New Mexico has a long tradition and history with the military and now we see that the economic benefits from the military in the state extend far beyond the installations themselves,” Gov. Michelle Lujan Grisham said, “It’s clear that all 33 counties benefit by being home to New Mexico veterans. Continuing to strengthen our partnerships with these installations and New Mexico’s military community supports our ongoing work to build a stable and robust economy.”

“The 52,268 direct, indirect, and induced jobs generated by these installations is equal to roughly double that of mining, quarrying, and oil and gas jobs in the state during 2020,” according to the analysis by BBER Economist Omar Solis.

“This analysis shows that these installations and the employees who work there – both

active and retired – are vital as we grow our economy and maintain our quality of life so families stationed in New Mexico or those who come here for a military career want to remain in New Mexico after they retire,” EDD Cabinet Secretary Keyes said.

“This report shows New Mexico’s long history with military enlistees and retirees is stronger than ever,” Sonya Smith, Cabinet Secretary, Department of Veterans Services, said. “This relationship will continue to grow as service members will now also have the opportunity to take advantage of the new military retiree salary tax exemption, this will encourage more retirees to remain in New Mexico and continue their contributions and service.”

Key findings in the report include:

- 8.8% of the adults in the state are veterans, a population of 141,558 – the 12th largest veteran-to-adult population in the United States.
- Of the total veteran population, 33% or 47,124 live in Bernalillo County while another 39% are distributed among Doña Ana, Sandoval, Santa Fe, Otero, San Juan, and Valencia Counties.
- All 33 counties have a population of veterans.
- Veterans in New Mexico earn substantially more than nonveteran adults, \$164 for every \$100 earned by nonveterans.
- 21 New Mexico counties have a veteran population where half are over age 65. New Mexico is also home to 11,458 veterans who are between the ages of 18 and 34. 31,371 are age 35 to 54.
- There are 18,000 active-duty military jobs, which accounts for 8% of total state jobs.
- Kirtland Air Force Base is the largest military employer with 22,667 jobs. It generates a total of 30,126 jobs or 57% of the total effect generated by the bases. White Sands is second with 6,023 active military employees and total attributed employment (direct and induced) of 8,879 – 17% of the statewide impact.
- Of the jobs induced by New Mexico’s installations, restaurants, retail, health care, and real estate are the sectors that benefit most.
- Every job created at the installations generates an additional 1.35 additional jobs in New Mexico. Each dollar paid to installation employees contributes \$1.28 in additional New Mexico wages.

“We are working hard to ensure that all New Mexicans see the benefits that our military brings to the state economy,” Richard Glover, Director of the Office of Military Base Planning and Support, said. “The military members that are stationed here and their families really appreciate the support they get from the local communities. This analysis shows it’s a great partnership that benefits the entire state.”

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EDD's mission is to *improve the lives of New Mexico families by increasing economic opportunities and providing a place for businesses to thrive*. EDD's programs contribute directly to this mission by training our workforce, providing infrastructure that supports business growth, and helping *every community* create a thriving economy. Since January 1, 2019, EDD has supported more than 14,000 new jobs and trained 9,401 New Mexicans for better pay. EDD has utilized LEDA to make investments in 56 businesses, supporting more than 8,600 new jobs at an average wage of \$65,748, \$570 million in annual payroll, \$7.2 billion in new capital investment, and a ten-year economic impact of \$34+ billion. Forty communities across 22 counties have benefited from EDD programs.

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